



COUNCIL AGENDA: 06-08-04
ITEM:

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

**SUBJECT: SAN JOSE NEW CITY HALL
ROTUNDA SUNSHADE**

DATE: 05-26-04

Approved

Date

Council District: Citywide
SNI: University

REASON FOR SUPPLEMENTAL MEMO

To provide additional information after bids were opened.

RECOMMENDATION

Report on bids and award of contract for the San José New City Hall Rotunda Sunshade Project to the sole bidder, Peninsulators, Inc., in the amount of \$231,222, and approval of a contingency in the amount of \$23,100.

CEQA: Civic Plaza Redevelopment Plan EIR, Resolution No. 68905, PP98-03-072.

BACKGROUND

On March 9, 2004, Council directed staff to proceed with the procurement of technology, furniture, equipment and relocation services. In addition, a work plan for implementation of individual procurements and cost saving strategies was reviewed and approved by Council.

Included in the work plan is procurement and a cost estimate titled "FE4 – Tower and Rotunda Sun Shade Coverings." The total cost in the FE4 project element was estimated at \$643,000 comprised of the Tower and Council Wing Window Coverings and the Rotunda Sun Shade Coverings for \$200,000 and \$443,000, respectively. Council awarded the tower and council wing contract on May 18 in the amount of \$174,000. Approval of the award of the Rotunda Sunshade contract for \$231,222 will complete the FE4 item. The total amount awarded will be \$405,222, which is \$237,778 or 37 percent below the budgeted amount. This savings will be included as part of the overall 15 percent savings targeted for FTE&R.

The horizontal large-scale motorized “Rotunda Sunshades” are located at the uppermost level of the Rotunda. These shades consist of four large coated fiberglass mesh panels that will hang with a natural draping effect across the full expanse of the space. They can be extended or retracted to any intermediate position in their travel length using a motorized roller assembly which is directly linked to the building’s environmental controls and has a keyed override at the Rotunda desk for manual operation.

ANALYSIS

Bids were opened on May 18, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Peninsulators, Inc. (San José)	\$231,222	\$31,222	16
Engineer’s Estimate	\$200,000	---	---

The sole bid submitted by Peninsulators, Inc. is 16 percent over the Engineer’s Estimate. The variance and the single bid can be attributed to the custom design of the shade system for the rotunda. There are only two manufacturers of this particular type of shade. Both manufacturers were contacted, but only one bid was submitted. Peninsulators, Inc included a Statement of Bidder’s Experience with their bid, which provides references to previous contract of similar magnitude. Staff considers this bid acceptable for the work involved in the project.

Council Policy provides for a standard contingency of ten percent on public works projects involving the construction of a building. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

To solicit contractors, this project was advertised in the *San José Post Record*. In addition, Turner/Devcon Joint Venture, Construction Managers, made direct calls to contractors that would be interested in bidding this type of work. Due to its unique design, there are only two suppliers that can fabricate this shade. Peninsulators is a well-known installer of similar types of work.

COORDINATION

This agreement and memorandum have been coordinated with the City Attorney’s Office, the City Manager’s Budget Office and the Department of Planning, Building and Code Enforcement.

PROJECT LABOR AGREEMENT

The City has become a partner with labor by jointly approving a Project Labor Agreement. This agreement will facilitate enforceable, effective performance by the labor force in a peaceful and open work environment and an absence of delays resulting from labor disruption and disputes.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$231,222
2. COST OF PROJECT:

Construction	\$231,222
Contingency	<u>23,100</u>
TOTAL	\$254,322
3. SOURCE OF FUNDING: 473 – Civic Center Improvement Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn	Amt for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
473	4853	Civic Center Furniture, Equipment, and Relocation	131599	\$17,300,000	\$231,222	n/a	01/13/04, Ord. No. 27503

CEQA

Civic Plaza Redevelopment Plan EIR, Resolution No. 68905, PP98-03-072.

KATY ALLEN
Director, Public Works Department

SPM:spm:civic